



DEFENSE LOGISTICS AGENCY
HEADQUARTERS
8725 JOHN J. KINGMAN ROAD, SUITE 2533
FORT BELVOIR, VIRGINIA 22060-6221

IN REPLY J-33
REFER TO PROCLTR 03-02

FEB 10 2003

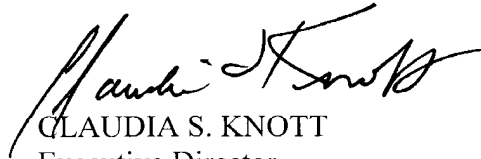
MEMORANDUM FOR PROCLTR DISTRIBUTION LIST

SUBJECT: Requirements for Use of the Small Business Coordination Record (DD Form 2579)
(Defense Logistics Acquisition Directive ((DLAD) 19.201(d)(10)(91))

The purpose of this PROCLTR is to clarify the need for a DD Form 2579 review when the dollar value of the acquisition changes after the initial estimate is established. Defense Federal Acquisition Regulation Supplement coverage at 219.201(d)(10) requires all acquisitions over \$10,000 to be reviewed, prior to solicitation, by contracting and small business personnel, but does not address the responsibilities of potential reviewers in situations where a contracting action's dollar value, originally under the review threshold, later changes to exceed this threshold.

Attached DLAD coverage at 19.201(d)(10)(91) provides that if the actual offered prices exceed the good-faith estimate of anticipated dollar value there is no requirement to prepare a DD Form 2579 after the fact. If, however, the potential dollar value has increased because the conditions of the acquisition have changed (as, for example, when the quantity has increased), it is appropriate to consider the effects of those changed conditions upon the potential contractor pool, and to revise your procedures accordingly. Under such circumstances, it is necessary to conduct the small business review, and document it via the DD Form 2579, before proceeding with the buy.

This PROCLTR is effective immediately, and expires upon incorporation of the coverage into the DLAD. The point of contact is Ms. Mary Massaro, J-3311, who can be reached at DSN 427-1366, or via e-mail addressed to mary_massaro@hq.dla.mil.


CLAUDIA S. KNOTT
Executive Director
Acquisition, Technical and Supply

Attachment



PART 19

SMALL BUSINESS PROGRAMS

SUBPART 19.2 - POLICIES

19.201 General policy.

(b) (90) ***

(d) (10) (A) ***

(d) (10) (B) ***

(d) (10) (90) ***

(d) (10) (91) (i) There are times when a contract action's estimated value will be less than \$10,000, thus precluding the need for a DD 2579 review, but the resulting contract's actual value exceeds the review threshold. So long as the estimate was originally made in good faith, there is no need to conduct an after-the-fact review in accordance with DFARS 219.201(d) (10).

(ii) However, if changes (e.g., quantity increases) are made to the scope of the acquisition subsequent to establishment of the original good-faith estimate, and if these changes cause the potential value of the contract to exceed the DFARS 219.201(d) (10) review threshold, do not proceed with the acquisition until a DD Form 2579 review is conducted.